

Manappuram Finance

 Estimate change 

 TP change 

 Rating change 

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Bloomberg	MGFL IN
Equity Shares (m)	846
M.Cap.(INRb)/(USD\$)	161.8 / 2.2
52-Week Range (INR)	218 / 139
1, 6, 12 Rel. Per (%)	4/4/-22
12M Avg Val (INR M)	1157

Financials & Valuations (INR b)

Y/E March	2021	2022E	2023E
NII	39.7	43.4	49.2
PPP	27.6	30.0	34.0
PAT	17.2	19.1	22.0
EPS (INR)	20.4	22.6	26.0
EPS Gr. (%)	16.3	10.9	15.1
BV/Sh.(INR)	86.3	105.6	127.7

Ratios

NIM (%)	15.6	16.1	16.4
C/I ratio (%)	33.7	34.6	34.6
RoA (%)	5.7	6.0	6.3
RoE (%)	26.4	23.6	22.3
Payout (%)	10.3	15.0	15.0

Valuations

P/E (x)	9.4	8.4	7.3
P/BV (x)	2.2	1.8	1.5
Div. Yld. (%)	1.1	1.8	2.0

Shareholding pattern (%)

As On	Jun-21	Mar-21	Jun-20
Promoter	35.0	35.0	35.0
DII	11.0	8.9	9.8
FII	35.9	38.6	38.5
Others	18.2	17.6	16.7

FII Includes depository receipts

CMP: INR191
TP: INR220 (+15%)
Buy

Gold AUM and holdings moderate further; auctions remain elevated

- Manappuram Finance (MGFL) reported consolidated PAT at INR4.4b (up ~19% YoY / down 7% QoQ; 8% miss) in 1QFY22. The company missed our expectations due to a 5% miss on NII (down 2% QoQ) at INR10.3b and elevated provisions at INR1.2b (11% above estimate). PPOp at INR7.1b (5% miss) was down 3% QoQ and up 11% YoY.
- The gold loan book declined 13% QoQ to INR165b and gold holdings 11% QoQ to 58.1t. **Over the last two quarters, gold holdings have cumulatively declined 15% and gold AUM 18% over this period.** In all non-gold segments, the respective loan books were flat sequentially.
- MGFL has taken a cautious view on gold prices – to guard itself against decline in prices, the company has deemed it more prudent to auction gold to de-risk itself. In the process, it has had to trade off growth for protection on asset quality.
- The management shared that it has introduced attractive products/schemes for higher ticket size customers to protect its turf from pricing competition. It guided that this could lead to yield compression but sustain growth.
- The performances of MUTH and MGFL, in terms of growth in the core gold loan book and gold holdings, have been divergent over the last two quarters.** This is in part to do with the average tenure of their primary gold loan products. Despite this, we appreciate that MGFL as a franchise has made considerable progress in its appraisal, security infrastructure, and other processes over the last three years, and remains poised for a decent consolidated AUM CAGR of ~13% over FY21–24E. We estimate consol. RoA/RoE of 6.3%/22% over the medium term and maintain BUY, with Target Price of INR220/share (1.7x FY23E P/BV).

Decline in gold AUM/holdings; churn to competition also played a role

- During the quarter, three factors led to decline in the gold loan book: a) INR15b (4.5mt) worth of gold loans – contributing to ~11% QoQ decline in tonnage to ~58mt – being auctioned; b) the competition poaching high-ticket gold loan customers; and c) a lower rate of new customer acquisitions (down 36% QoQ due to lockdowns), leading to lower disbursements, coupled with some stressed borrowers choosing to withdraw their collateral rather than having it auctioned by MGFL.
- MGFL has exercised prudence by auctioning its >80% LTV portfolio over the last two quarters. The proportion of this >80% LTV portfolio declined to 6% (v/s 53% in 4QFY21). Blended LTV on gold loans declined 600bp QoQ to 65% and further to 63% by Jul'21.

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- New customer acquisitions (NCA) steadily picked up MoM over Jun–Jul’21. NCA recovered sharply to pre-COVID levels of 113k in Jul’21 (up 40% MoM). The total customer base declined to 2.4m (from 2.6m in the previous quarter), and the average ticket size declined ~4% sequentially to ~INR43k.

Stable asset quality in gold loans; non-gold loans see deterioration

- GNPA in the standalone entity was largely stable, changing only marginally to 1.96% (v/s 1.92% in 4QFY21). This was despite vehicle loans (part of the standalone entity) reporting a ~60bp QoQ increase in GNPA.
- While the loan book was largely flat QoQ in the non-gold segments, the MFI, Housing, and Vehicle segments each witnessed a QoQ increase in reported GNPA. MFI GNPA deteriorated by ~110bp QoQ to 3.6%, Housing GNPA by 100bp QoQ to 7.0%, and Vehicle GNPA by ~60bp QoQ to 5.6%.
- Consolidated credit costs stood at 1.9% (annualized), largely due to the MFI segment, which reported credit costs of 6% (annualized).

MFI: Collection efficiency recovers to ~95% in Jul’21; credit costs elevated

- Unlike the past two quarters, over which the MFI business reported cumulative growth of 20%, the loan book in 1QFY22 was broadly flat QoQ at ~INR60.5b. The second wave of the pandemic impacted collection efficiency (CE), which stood at 92%/59%/70% in Apr/May/Jun’21 v/s ~100% in each of the months in the preceding quarter.
- PARO+ in the MFI segment once again increased ~660bp QoQ to 22.4% in 1QFY22 from the previous peak of ~21% in Sep’20.

Spreads and NIM improve; share of NCD borrowings now at 41%

- Despite the pricing competition, yield (calc.) in the standalone business was up ~90bp QoQ. This suggests high-ticket-size customers (lower yielding) were poached by the competition. Standalone CoB (calc.) was up 8bp QoQ, resulting in standalone spreads (calc.) improving ~85bp QoQ to ~16.6%, a multi-quarter high. NIM on AUM (standalone) at 18% was also a 14-quarter high.
- In the consolidated borrowing mix, the share of NCDs improved 500bp QoQ and inched up to 41%. The share of CPs stood at a modest 5%. Consolidated liquidity on the balance sheet stood at INR28.9b (~15% of borrowings).

Valuation and view

- Commentary from the gold finance NBFC suggests a strong uptick in demand and new customer acquisitions in Jul’21, which appears to have sustained in Aug-MTD’21 as well. MGFL’s shorter tenure gold loan product (three months v/s the industry average of 6–12M) has led to higher auctions and withdrawals from customers, resulting in sustained decline in gold AUM/holdings over the last two quarters.
- Although MGFL has traded off growth, we derive great comfort in its standalone asset quality (which was flat QoQ), especially in the context of its >80% LTV loan portfolio declining to ~6% in 1QFY22. Over the medium term, we expect MGFL to deliver ~15% steady-state gold loan growth. Other segments, especially MFI and Vehicle Finance, would remain moderately vulnerable due to COVID. However, we note that a turnaround is imminent (in both growth as well as

collections) once there is some semblance of normalcy. We cut our FY22/FY23 EPS estimate by 7%/10%, factoring in lower AUM growth and higher credit cost in FY22E and lower NII growth in FY23E. Despite this, MGFL is poised to deliver RoA/RoE of 6.3%/22% over the medium term. We maintain our Buy rating, with TP of INR220/share (1.7x FY23E BVPS).

Quarterly Performance												(INR m)
Y/E March (Consolidated)	FY21				FY22				FY21	FY22E	1QFY22E	Act v/s Est. (%)
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE				
Interest Income	14,758	15,473	15,919	15,746	15,216	15,749	16,300	16,882	61,896	64,147	16,140	-6
Interest Expenses	5,668	5,710	5,573	5,239	4,931	5,079	5,231	5,466	22,190	20,707	5,318	-7
Net Interest Income	9,089	9,763	10,347	10,507	10,285	10,670	11,069	11,416	39,706	43,440	10,822	-5
YoY Growth (%)	20.3	17.4	16.2	17.9	13.2	9.3	7.0	8.7	15.1	9.4	19.1	
Other income	407	307	581	557	521	542	572	828	1,851	2,463	560	-7
Total Income	9,496	10,070	10,928	11,063	10,806	11,212	11,640	12,244	41,557	45,903	11,382	-5
Operating Expenses	3,121	3,545	3,553	3,777	3,720	3,872	4,029	4,277	13,996	15,899	3,893	-4
Operating Profit	6,376	6,524	7,375	7,287	7,086	7,340	7,611	7,967	27,561	30,004	7,489	-5
YoY Growth (%)	44.5	12.9	21.2	11.0	11.1	12.5	3.2	9.3	22.8	8.9	17.5	
Provisions	1,453	1,080	802	1,066	1,223	1,100	1,000	999	4,401	4,321	1,100	11
Profit before Tax	4,923	5,444	6,573	6,221	5,864	6,240	6,611	6,968	23,160	25,683	6,389	-8
Tax Provisions	1,243	1,390	1,741	1,537	1,495	1,591	1,686	1,777	5,911	6,549	1,629	-8
Net Profit	3,680	4,054	4,832	4,684	4,369	4,649	4,925	5,191	17,250	19,134	4,760	-8
YoY Growth (%)	37.9	-8.2	15.5	17.6	18.7	14.7	1.9	10.8	16.5	10.9	29.5	
Key Ratios (%)												
Yield on loans	24.4	24.7	24.0	23.6	24.1	25.6	25.4	25.1	24.4	23.8		
Cost of funds (Cal)	9.7	9.4	9.3	9.1	9.3	10.2	10.4	10.5	9.8	9.5		
Spreads (Cal)	14.7	15.4	14.8	14.5	14.8	15.4	15.0	14.7	14.6	12.3		
NIMs (Cal)	15.1	15.6	15.6	15.7	16.3	17.4	17.3	17.0	15.6	14.3		
C/I ratio	32.9	35.2	32.5	34.1	34.4	34.5	34.6	34.9	33.7	0.4		
Credit Cost	2.3	1.7	1.2	1.6	1.9	1.7	1.5	1.4	1.7	27.5		
Tax Rate	25.3	25.5	26.5	24.7	25.5	25.5	25.5	25.5	25.5	25.3		
Balance Sheet Parameters												
Consol. AUM (INR b)	253	269	276	272	248	258	270	282				
Change YoY (%)	25.6	18.6	14.7	7.9	-2.3	-4.1	-2.4	3.6				
Gold loans (INR b)	177	197	202	191	165	172	178	186				
Change YoY (%)	33.4	30.1	24.4	12.4	-6.8	-13.1	-11.7	-2.5				
Gold stock (tonnes)	69	69	68	65	58							
Gold loans/branch (INR m)	50	56	57	54	47							
Consol. Borrowings (INR b)	240	247	234	227	197	199	201	216				
Change YoY (%)	7.0	33.6	18.2	0.6	-17.7	-19.4	-13.8	-5.0				
Borrowings Mix (%)												
Debentures	21.0	28.0	31.0	36.0	41.0							
CPs	7.0	6.0	7.0	5.0	5.0							
WC/CC	29.0	26.0	24.0	19.0	14.0							
TL	32.0	29.0	27.0	29.0	26.0							
ECB	11.0	11.0	11.0	11.0	14.0							
Others	0.0	0.0	0.0	0.0	0.0							
Debt/Equity (x)	4.0	3.8	3.4	3.1	2.6							
Asset Quality Parameters (%)												
GNPL ratio (Standalone)	1.3	1.1	1.3	1.9	2.0							
NNPL ratio (Standalone)	0.7	0.7	0.8	1.5	1.6							
Return Ratios (%)												
RoA (Rep)	4.8	5.1	6.1	6.0	5.8							
RoE (Rep)	25.0	26.0	29.0	26.4	23.3							

E: MOFSL estimates



Highlights from management commentary

Business updates

- MGFL's customers with ATS >0.1m were targeted by peers. MGFL has undertaken measures during the quarter to curb this attrition.
- **The withdrawal of collateral by customers, decline in gold prices, and elevated auctions during the quarter led to decline in gold AUM.**
- Limited operating hours and lockdowns led to lower customer additions during the quarter.
- Gold loan/gm of gold holdings stood at INR2,850/gm as of 30th Jun 2021.
- Interest accrued in 1QFY22 stood at INR7.4b.
- It is disbursing INR1b a month in Vehicle Finance and this is steadily improving.
- In the MFI business, it disbursed INR11.81b in 1QFY22.

Liabilities and margins

- Borrowing costs have stabilized as new facilities were not availed during the quarter.
- It is comfortably placed and continues to receive incremental borrowings at competitive rates.
- In the MFI segment, ~40%/~30% of AUM/borrowings is due for maturity over the next 12 months. The average tenure of the borrowings is 24 months.
- **Yields may see some compression (100–150bp) on products/schemes introduced for high-ticket gold loan customers. However, this would be offset by growth in the book.**

Asset quality

- Restructuring stood at INR11.74b. The management believes 1QFY22 was a poor quarter since the team could not undertake collections. It expects provisions to be lower in the coming quarters, provided there are no further developments related to COVID.
- Credit costs stood at INR1.22b in 1QFY22. This included INR900m in credit costs in MFI, INR300m in the standalone business, and the remaining in the Housing Finance business.
- **In the MFI business, CE was consistently at 95% in July and has been so for the 10 days of August as well.**
- **Gold loans of INR15b (principal amount) were auctioned during the quarter (4.5mt/1.5% of disbursements). In 4QFY21, ~1mt was auctioned.**
- **It undertook aggressive auctions during the quarter to minimize credit costs. The higher auctions were on account of MGFL having a three-month gold loan offering, owing to which it recognizes stress early on vis-à-vis peers with one-year gold loan product offerings in the market.**
- It took additional COVID provisions of INR150m during the quarter.
- In the CV and Home Finance segments, collections are steadily improving. MGFL is seeing a 15–20% increase in collections in these segments.

Collection efficiency

- CE in MFI stood at 70% in Jun'21 (in line with the industry) and at 95% in Jul'21. If the company is able to maintain this CE, it would be able to achieve lower credit costs in subsequent quarters.
- VFC: 87%/105% in May/June'21
- HFC: 79%/87% in May/June'21 (~84% for the quarter)

Guidance

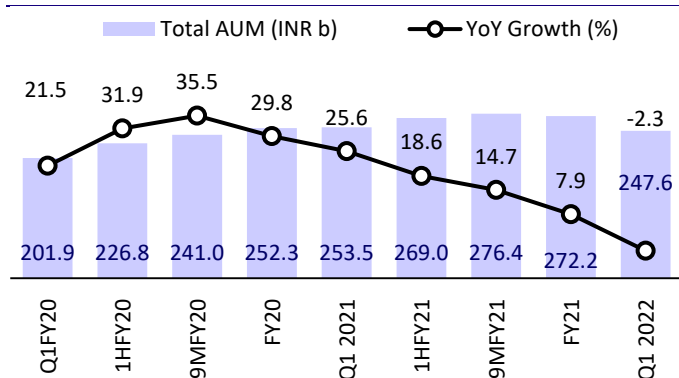
- The management is confident of delivering growth by the year-end. It expects ~15% gold loan AUM growth for the remaining nine months of FY22.
- RoA is likely to come off with growth in the book.
- It introduced attractive pricing/schemes around high-ticket gold loans to prevent high-ticket customers from being poached by the competition.
- It expects 5000+ new customer acquisitions per day from this month on.

Others

- There was no penal interest on gold loans.
- No top-up loans were given in the MFI segment.

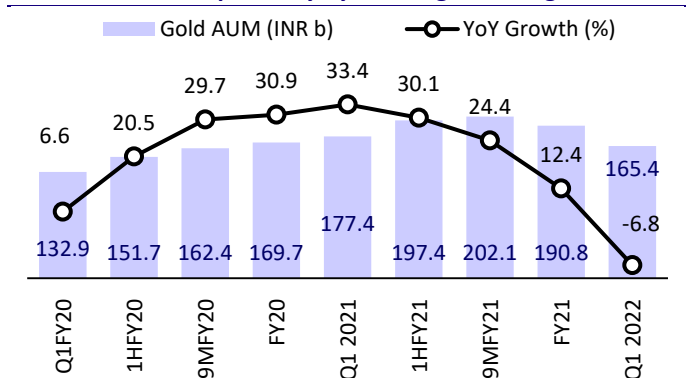
Key exhibits

Exhibit 1: Consolidated AUM declines...



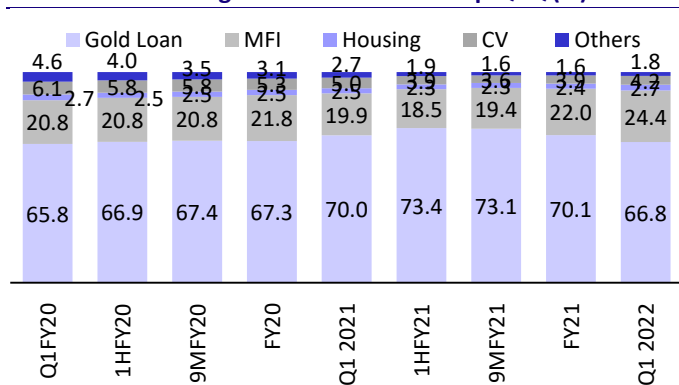
Source: MOFSL, Company

Exhibit 2: ...driven primarily by muted gold loan growth



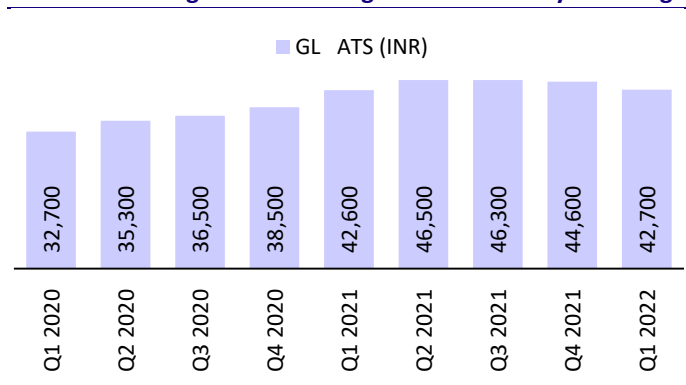
Source: MOFSL, Company

Exhibit 3: Share of gold loans down ~325bp QoQ (%)



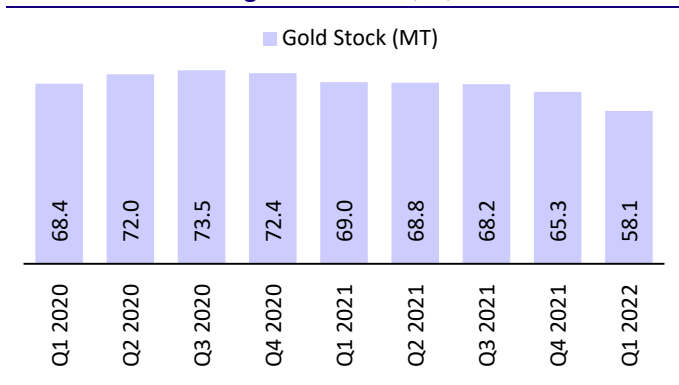
Source: MOFSL, Company

Exhibit 4: Average ticket size in gold loans steadily declining



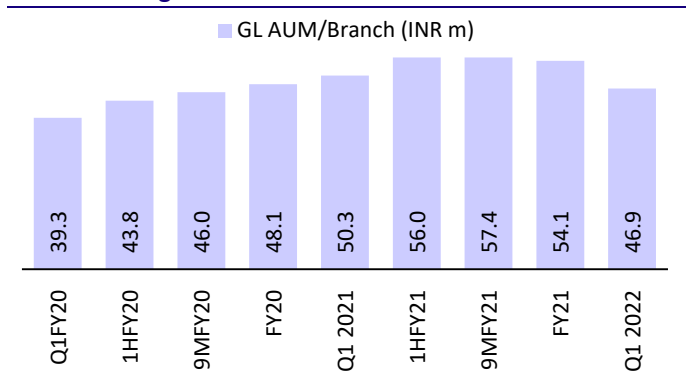
Source: MOFSL, Company

Exhibit 5: Gold tonnage down 11% QoQ



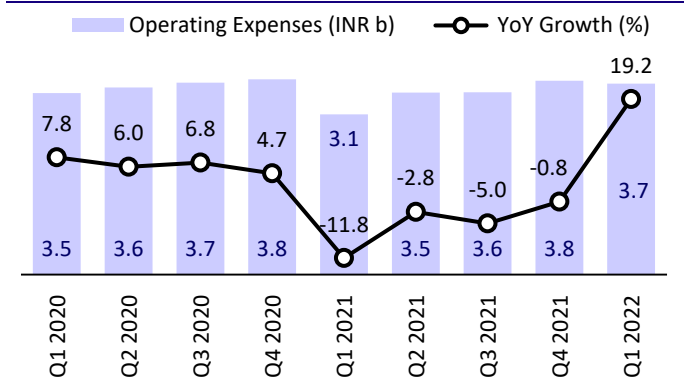
Source: MOFSL, Company

Exhibit 6: Gold loans per branch down for last two quarters on decline in gold AUM



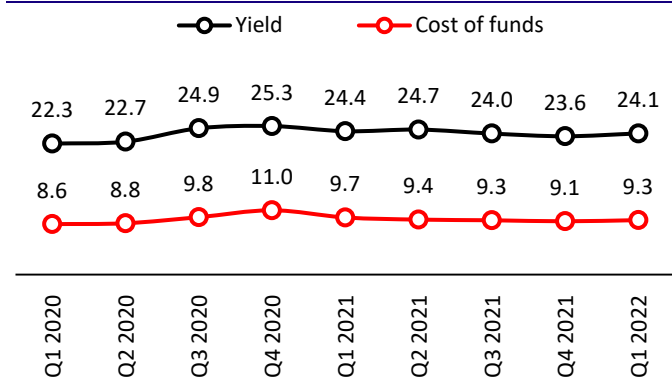
Source: MOFSL, Company

Exhibit 7: Opex up 19% YoY



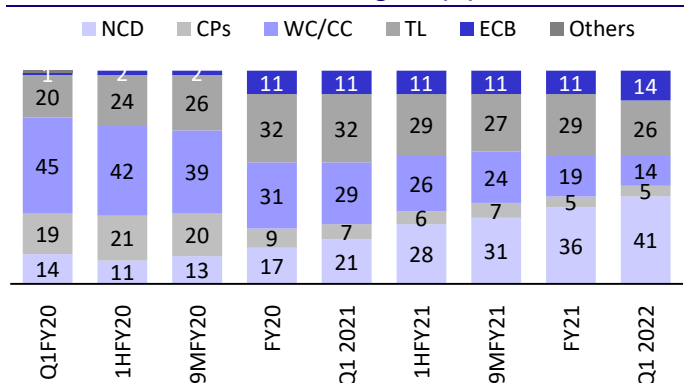
Source: MOFSL, Company

Exhibit 8: Consolidated spreads improve ~28bp QoQ (%)



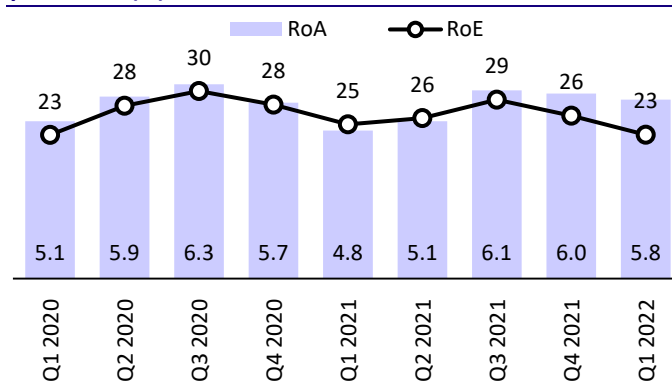
Source: MOFSL, Company

Exhibit 9: Consolidated borrowing mix (%)



Source: MOFSL, Company

Exhibit 10: Return ratios face brunt of NII decline and higher provisions (%)



Source: MOFSL, Company

Valuation and view

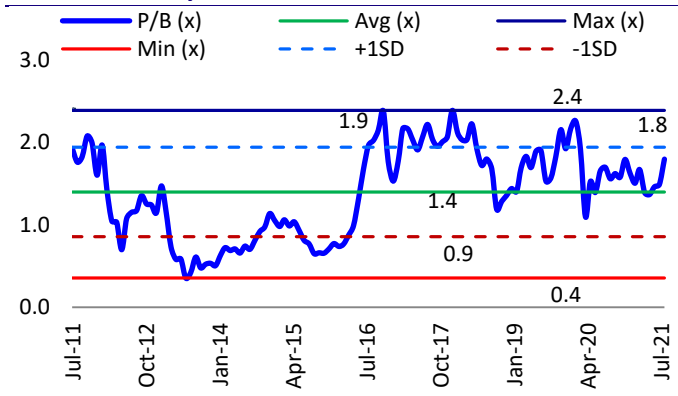
- Over the past two years, MGFL has scaled up its online gold loan platform well; this would help the company even in the subsequent quarters since all the branches are still not functioning at full capacity/efficiency.
- Positive ALM (due to the short loan tenure of up to 12 months) and low leverage are key moats. Its standalone spread of 15–16% is best-in-class.
- MGFL’s shorter tenure gold loan product (three months v/s the industry average of 6–12 months) has led to higher auctions and withdrawal from customers, resulting in sustained decline in gold AUM/holdings over the last two quarters.
- Although MGFL has traded off growth, we derive great comfort in its standalone asset quality (which was flat QoQ), especially in the context of its >80% LTV loan portfolio declining to ~6% in 1QFY22. Over the medium term, we expect MGFL to deliver ~15% steady-state gold loan growth.
- Other segments, especially MFI and Vehicle Finance, would remain moderately vulnerable due to COVID. However, we note that a turnaround is imminent (in both growth as well as collections) once there is some semblance of normalcy.
- We cut our FY22/FY23 EPS estimate by 7%/10%, factoring in lower AUM growth and higher credit costs in FY22E and lower NII growth in FY23E.
- Despite this, MGFL is poised to deliver consol. RoA/RoE of 6.3%/22% over the medium term. We maintain our Buy rating, with TP of INR220/share (1.7x FY23E BVPS).

Exhibit 11: We cut our FY22E EPS estimates by 7%, factoring in lower AUM growth and higher credit costs

INR B	Old Est.			New Est.			% Change		
	FY22	FY23	FY24	FY22	FY23	FY24	FY22	FY23	FY24
NII	45.7	53.7	63.6	43.4	49.2	58.3	-5	-9	-8
Other Income	2.4	2.7	3.0	2.5	2.9	3.3			
Net Income	48.1	56.4	66.6	45.9	52.0	61.6	-5	-8	-7
Operating Expenses	16.4	18.9	21.9	15.9	18.0	20.5	-3	-5	-7
Operating Profits	31.8	37.5	44.6	30.0	34.0	41.1	-6	-9	-8
Provisions	4.0	4.7	5.6	4.3	4.5	5.3	7	-5	-5
PBT	27.8	32.8	39.1	25.7	29.6	35.8	-7	-10	-8
Tax	7.1	8.4	10.0	6.5	7.5	9.1	-7	-10	-8
PAT	20.7	24.4	29.1	19.1	22.0	26.7	-7	-10	-8
Loans	311	365	429	275	323	381	-12	-11	-11
Borrowings	259	295	337	216	249	293			
RoA (%)	6.1	6.2	6.4	6.0	6.3	6.5			
RoE (%)	25.3	24.2	23.5	23.6	22.3	22.4			

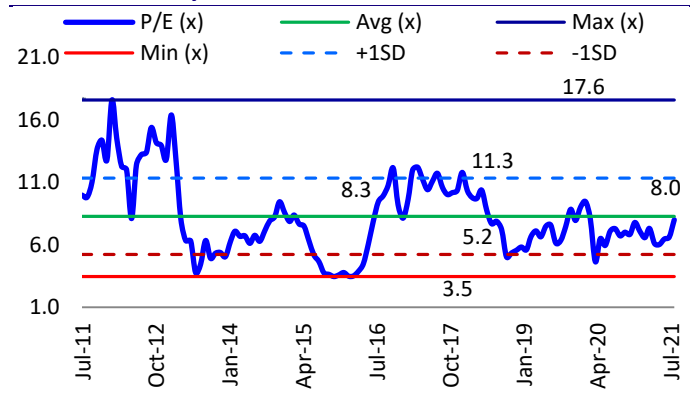
Source: MOFSL, Company

Exhibit 12: One year forward P/B



Source: MOFSL, Company

Exhibit 13: One year forward P/E



Source: MOFSL, Company

Financials and valuations

Income Statement (Consolidated)								(INR m)	
Y/E MARCH	2016	2017	2018	2019	2020	2021	2022E	2023E	2024E
Interest Income	23,489	33,762	33,540	40,461	52,805	61,896	64,147	71,817	85,361
Interest Expense	9,474	11,687	10,304	13,449	18,322	22,190	20,707	22,645	27,077
Net Interest Income	14,016	22,075	23,235	27,012	34,483	39,706	43,440	49,172	58,284
Change (%)	28.5	57.5	5.3	16.3	27.7	15.1	9.4	13.2	18.5
Other operating income	113	92	668	1,334	1,848	1,410	2,045	2,351	2,704
Total Income	14,128	22,167	23,903	28,346	36,331	41,116	45,484	51,523	60,987
Change (%)	27.4	56.9	7.8	18.6	28.2	13.2	10.6	13.3	18.4
Other income	136	235	584	625	859	441	419	503	603
Net Income	14,264	22,402	24,487	28,971	37,190	41,557	45,903	52,026	61,590
Change (%)	27.8	57.0	9.3	18.3	28.4	11.7	10.5	13.3	18.4
Operating Expenses	8,357	9,653	12,345	13,858	14,741	13,996	15,899	17,981	20,490
Pre Provision Profits	5,907	12,749	12,142	15,113	22,449	27,561	30,004	34,045	41,100
Change (%)	33.7	115.8	-4.8	24.5	48.5	22.8	8.9	13.5	20.7
Provisions	423	1,092	1,773	547	2,376	4,401	4,321	4,489	5,280
PBT	5,484	11,657	10,369	14,566	20,073	23,160	25,683	29,556	35,820
Tax	1,932	4,072	3,609	5,080	5,270	5,911	6,549	7,537	9,134
Tax Rate (%)	35.2	34.9	34.8	34.9	26.3	25.5	25.5	25.5	25.5
PAT	3,552	7,585	6,760	9,486	14,803	17,250	19,134	22,019	26,686
Change (%)	30.8	113.6	-10.9	40.3	56.1	16.5	10.9	15.1	21.2
Dividend (Excl Tax)	1,893	1,263	1,684	1,812	2,372	1,777	2,870	3,303	4,003

Balance Sheet (Consolidated)

Y/E MARCH	2016	2017	2018	2019	2020	2021	2022E	2023E	2024E
Equity Share Capital	1,682	1,684	1,685	1,686	1,690	1,693	1,693	1,693	1,693
Reserves & Surplus	25,898	31,949	36,447	43,561	55,771	71,382	87,645	1,06,361	1,29,045
Networth (Post OCI)	27,580	33,633	38,132	45,247	57,461	73,074	89,338	1,08,054	1,30,737
Non-Controlling Interest	212	212	292	459	583	472	497	522	547
Borrowings	96,379	1,09,867	1,26,071	1,52,972	2,25,735	2,27,163	2,15,769	2,48,749	2,92,794
Change (%)	11.7	14.0	14.7	21.3	47.6	0.6	-5.0	15.3	17.7
Other liabilities	4,220	6,120	5,802	5,862	11,572	12,669	14,569	16,755	19,268
Change (%)	27.4	45.0	-5.2	1.0	97.4	9.5	15.0	15.0	15.0
Total Liabilities	1,28,392	1,49,832	1,70,296	2,04,540	2,95,351	3,13,378	3,20,173	3,74,080	4,43,346
Loans	1,13,853	1,34,057	1,52,439	1,78,119	2,42,971	2,65,076	2,75,106	3,23,373	3,80,632
Change (%)	18.5	17.7	13.7	16.8	36.4	9.1	3.8	17.5	17.7
Investments	491	49	49	1,738	905	3,380	3,718	4,090	4,499
Change (%)	-77.4	-90.0	0.4	3,428.0	-47.9	273.6	10.0	10.0	10.0
Goodwill	356	356	356	356	356	356	356	356	356
Net Fixed Assets	1,948	1,869	2,746	3,319	7,705	8,980	9,878	10,866	11,952
Other assets	11,745	13,501	14,707	21,009	43,414	35,586	31,116	35,395	45,907
Total Assets	1,28,392	1,49,832	1,70,296	2,04,540	2,95,351	3,13,378	3,20,173	3,74,080	4,43,346

E: MOFSL Estimates

Financials and valuations

Ratios	(%)								
Y/E MARCH	2016	2017	2018	2019	2020	2021	2022E	2023E	2024E
Spreads Analysis (%)									
Avg Yield on loans	22.4	27.2	23.4	24.5	25.1	24.4	23.8	24.0	24.3
Avg Cost of funds	10.4	11.3	8.7	9.6	9.7	9.8	9.4	9.8	10.0
Spreads	12.0	15.9	14.7	14.8	15.4	14.6	14.4	14.3	14.3
Net Interest Margins	13.4	17.8	16.2	16.3	16.4	15.6	16.1	16.4	16.6
Profitability Ratios (%)									
RoAE	13.2	24.8	18.8	22.8	28.8	26.4	23.6	22.3	22.4
RoAA	2.9	5.5	4.2	5.1	5.9	5.7	6.0	6.3	6.5
Cost to Income	58.6	43.1	50.4	47.8	39.6	33.7	34.6	34.6	33.3
Empl. Cost/Op. Exps.	51.8	52.1	50.7	52.0	56.3	60.2	61.5	62.5	63.1
Asset Quality									
GNPL (INR m)	996	2,338	695	826	1,677	5,900	5,502	5,821	6,851
GNPL ratio (%)	1.0	2.0	0.5	0.5	0.9	2.9	2.0	1.8	1.8
NNPL (INR m)	778	1,972	427	481	1,092	3,350	3,026	3,201	3,768
NNPL ratio (%)	0.8	1.7	0.3	0.3	0.6	1.3	1.1	1.0	1.0
PCR (%)	21.9	15.6	38.5	41.7	34.9	43.2	45.0	45.0	45.0
Valuations									
Book Value (INR)	32.8	39.9	45.3	53.7	68.0	86.3	105.6	127.7	154.5
Price-BV (x)					2.8	2.2	1.8	1.5	1.2
EPS (INR)	4.2	9.0	8.0	11.3	17.5	20.4	22.6	26.0	31.5
Change YoY (%)	30.8	113.4	-10.9	40.3	55.7	16.3	10.9	15.1	21.2
Price-Earnings (x)					10.9	9.4	8.4	7.3	6.1
Dividend	2.3	1.5	2.0	2.1	2.8	2.1	3.4	3.9	4.7
Dividend Payout (%)	64.1	20.0	30.0	23.0	19.3	10.3	15.0	15.0	15.0
Dividend Yield (%)					1.5	1.1	1.8	2.0	2.5

E: MOFSL Estimates

Explanation of Investment Rating	
Investment Rating	Expected return (over 12-month)
BUY	>=15%
SELL	< - 10%
NEUTRAL	< - 10 % to 15%
UNDER REVIEW	Rating may undergo a change
NOT RATED	We have forward looking estimates for the stock but we refrain from assigning recommendation

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